YOUR MONEY

PROPERTY BASICS

Are you renting or buying a home? Here's what you need to know, says Gerald Mwandiaimbire

Tenants
2 Tenants
A tenant’s rights include:
- The right to occupy a home on an ongoing basis while meeting the obligations stated in the lease agreement;
- The right to be consulted on matters that affect the tenant, such as repairs.

Tenants are obliged to:
- Pay the rent on time.
- Use rental property only for the purposes stated in the rental agreement.
- Not sub-let property without agreement from the landlord.
- Not make any alterations to the property without prior consent from the landlord.

Buying your first home
3 Buying your first home
The current low interest rates make it an ideal time to consider purchasing a property.

Landlords
1 Landlords
The law states that landlords:
- May charge any rent they wish, but this should be reasonable;
- Do not have to supply a written lease, but if the tenant insists on this, the landlord must comply;
- Must issue a receipt for every payment received;
- Must put deposits paid by the tenant in an interest-bearing bank account and make written statements of interest available when requested to do so, and
- Have the right to prompt regular payment of rent, and if rent is not received on time, the landlord may sue the tenant or obtain a court order to evict him/her.

For many South Africans, the rising cost of living has left renting as the only option open to them when looking for accommodation. People seeking property to rent need to consider lease agreements in order to save money or to have a higher standard of living.

With many landlords reporting bad tenants to credit bureaus and ‘blacklisting’ them, it is important to know your rights and the protection afforded by law.

There are a number of rights and obligations that both landlords and tenants should be aware of when renting accommodation.

How much deposit?
4 How much deposit?
An average kasi home is around R300 000 in the big cities of South Africa, and about R150 000 in smaller cities. This works out to a bond of about R3 000 per month in big cities and R1 500 in smaller centres at current interest rates.

Move Tip: Avoid joint bonds with a boyfriend or partner – it gets messy if you break up. To qualify for a higher bond, you can sometimes consider a joint bond with a sibling or family member.

Save for your deposit
5 Save for your deposit
It is prudent to first have at least 10 percent of your home's...